GOVERNMENT OF INDIA
FINANCE
LOK SABHA

STARRED QUESTION NO:595
ANSWERED ON:06.05.2005
NATIONAL POLICY ON SUBSIDIES
Scindia Shri Jyotiraditya Madhavrao

Will the Minister of FINANCE be pleased to state:

(a) the salient features of national policy on subsidies;

(b) steps contemplated thereunder to ensure that the benefits of subsidies reach the poor who really deserve it; and

(c) the steps taken and being taken to trim the subsidies, in accordance with the new national policy?

Answer

FINANCE MINISTER (SHRI P.CHIDAMBARAM)

(a), (b) & (c): A statement is placed on the Table of the House.

(POSITION NO.15)

Statement referred to in reply to Lok Sabha Starred Question No.595 (POSITION NO.15) for answer on 6th May, 2005 Shri Jyotiraditya M. Scindia regarding National Policy on Subsidies.

(a), (b) and (c) The National Common Minimum Programme mandates the Government to target all subsidies to the poor and truly needy sections of the society. In pursuance of this, the National Institute of Public Finance and Policy (NIPFP) was asked to submit a study on subsidies. Based on this study, a report, `Central Government subsidies in India`, was placed in the Parliament on December 23, 2004. This Report was discussed in a meeting of the Consultative Committee of the Ministry of Finance on February 8, 2005. Formulation of a National Policy on Subsidies would evolve out of a broad based consensus through proposed wider discussions with various stakeholders and due process of consultation.